

# MILLS & BOEHM, LLP

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March 10, 2010

Baker Tilly  
Attn: John Knepel  
115 S 84<sup>th</sup> Street, Ste 400  
Milwaukee, WI 53214-9810

RE: Town of East Troy Annual Audit

Dear Mr. Knepel:

I have been authorized by the Town Board to contact you with respect to the itemized bill dated October 8, 2009 which references additional charges on the February 26, 2010 invoice. (See enclosed letter and invoice). As you are aware, the Town Board recently entered into a new 5 year contract with Baker Tilly for auditing purposes. Page 6 of that contract states in part that should the service effort or the scope of your work increase, you (Baker Tilly) will discuss that scenario with the Town Board prior to incurring additional time and effort. Additionally, the contract states that Baker Tilly and the Town will mutually agree to revise any fee reflecting additional services.

I have not seen any correspondence from Baker Tilly to the Town Board indicating that additional services were required. Although you have stated that Mr. Stoesser made some inquiries regarding "fraud" which required additional investigation, the Town Board is left wondering if all 6 entries on the additional \$4,045.00 bill were required based solely upon Mr. Stoesser's inquiry.

I would ask that upon receipt of this correspondence, you provide an answer to the following questions:

1. From whom did you receive authorization to perform the extra services totaling over \$4,000?
2. What were the circumstances which required you to perform the extra investigation? (i.e. What was the nature of Mr. Stoesser's concern or inquiry).
3. Was any letter prepared for the Town Board to address the issue of extra services prior to the work being commenced?
4. What procedures were used to determine whether or not extra investigation was warranted?
5. How was the bill submitted and to whom?

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6. Did you ever receive approval for the extra \$4,045.00 in service expenses from any one on the Town Board or from the Town Clerk/Treasurer?
7. Please describe the requirements of Accounting Standard No. 99 and how that standard may have governed the actions you performed.

Until a response to the above questions is provided to the Town Board, the \$4,045.00 entry on invoice number BT439388 will remain unpaid. That decision was made by the Town Board at it's March 8, 2010 meeting. I thank you for your anticipated cooperation. A prompt response is appreciated.

Very truly yours,



JAMES R. MILLS  
(State Bar No. 1024429)

JRM:sec

Enclosure

cc: Town of East Troy Board Members